

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF NORTH CAROLINA  
EASTERN DIVISION

No. 4:04-CR-27-1FL  
No. 4:04-CR-27-2FL

UNITED STATES OF AMERICA, )  
                                  )  
                                  )  
                                  )  
v.                              )  
                                  )  
CONVALESCENT TRANSPORTS, INC. )  
and BRIAN CONNER,              )  
                                  )  
                                  )  
                                  )  
Defendants                      )  
                                  )

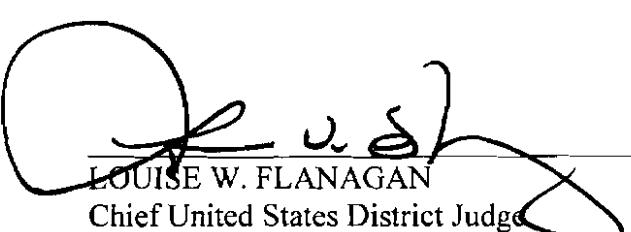
ORDER

This matter is before the court on the amended memorandum and recommendation (“amended M&R”) of United States Magistrate Judge David W. Daniel (DE # 173). In his amended M&R, Magistrate Judge Daniel modified his earlier recommendation, extending the receivership to November 17, 2008, rather than May 19, 2008, as he originally recommended. On February 11, 2008, Connie C. Conner, as attorney-in-fact for defendant Brian Conner, submitted to the court objections to the amended M&R (DE ## 174, 175).

The court has received and reviewed the objections filed on behalf of defendants, which take issue generally with the efficiency and methodology of the receiver’s ongoing collection efforts, as well as the receiver’s potential net benefit to the estate. As noted by Magistrate Judge Daniel in the amended M&R, the receiver has diligently pursued its duties and obligations, and the process of closing the estate and the receivership will likely necessitate several months. Further, extension of the receivership is now supported by the United States, the largest creditor of the estate. As such, the undersigned ADOPTS the amended recommendation of Magistrate Judge Daniel as its own, and,

for the reasons stated therein, the receiver's motion is GRANTED, and the receivership is extended through and including November 17, 2008. However, the court also acknowledges the fundamental concerns raised in the amended M&R regarding the receiver, which were echoed in the objections filed by the defendants, and admonishes the receiver to take such action as is necessary to promote efficiencies in its ongoing collection activities, and to increase the net benefit to the estate as possible.

SO ORDERED, this the 3 day of March, 2008.



LOUISE W. FLANAGAN  
Chief United States District Judge